

JBS S.A.

National Corporate Taxpayers' Register (CNPJ/MF) No. 02.916.265/0001-60

NIRE 35.300.330.587

Ledger of Minutes

MINUTES OF THE FISCAL COUNCIL MEETING

HELD ON NOVEMBER 10, 2017 AT 2:00 PM

Time, Date and Place: November 10, 2017, at 2 pm, at JBS S.A.'s registered offices in the City of São Paulo, State of Sao Paulo, at Avenida Marginal Direita do Tietê, 500, Bloco I, 3º Andar, Vila Jaguara, ZIP 05118-100 (the "Company").

Notice of Meeting: Emailed to all Fiscal Council members as per Article 12 of the Fiscal Council Regulations.

Attendance: The Fiscal Council meeting was attended by **Adrian Lima da Hora, José Paulo da Silva Filho, Demetrius Nichele Macei** and **Francisco Vicente Santana Silva Telles**, therefore the necessary quorum was present to bring the meeting to order.

The meeting was also attended by **Raphael Giovanini**, Company's Corporate Law attorney, and partially attended by **Jeremiah Alphonsus O'Callaghan**, Chairman of the Board of Directors and Investor Relations Officer, **Eliseo Santiago Perez Fernandez**, Director of Administration and Control, **Aginaldo dos Santos Moreira Jr.**, Director of Accounting and Administration and **Andrea Pinheiro Riva**, Company's Accounting Coordinator, as well as **Paulo Sérgio Tufani** and **Robinson Meira**, from BDO RCS Auditores Independentes SS ("BDO").

Steering Committee: Committee Chair, **Adrian Lima da Hora**; and Committee Secretary, **Daniel Pereira de Almeida Araujo**.

Order of Business: for information purposes only: **(i)** Presentation, with an overview of the market and the Company and its subsidiaries' operations for the period ending on September 30, 2017; **(ii)** Discussion with BDO regarding Company audit progress for the period ending September 30, 2017; **(iii)** Discussion of the Company's interim Accounting Statements for the period ending September 30, 2017, (the "Interim Accounting Information"); **(iv)** Updated information on the plea bargain, Leniency Agreement and the CVM (the "Brazilian Securities and Exchange Commission") Proceedings; and **(v)** Discussion of other matters of general interest to the Company's Fiscal Council.

To ensure the meeting progressed smoothly, the sequence of matters addressed in the order of business listed in the meeting notice was amended, as follows, for information purposes only: **(i)** Discussion of the Interim Accounting Statements; **(ii)** Presentation, with an overview of the market and the Company and its subsidiaries' operations for the period ending on September 30, 2017; **(iii)** Discussion with BDO regarding the Company audit for the period

ending September 30, 2017; **(iv)** Updated information on the plea bargain, Leniency Agreement and the CVM Proceedings; and **(v)** Discussion of other matters of general interest to the Company's Fiscal Council.

Deliberations:

(i) the Fiscal Council members received copies of and analyzed the Interim Accounting Information and the Company Results Release, whereupon **Agnaldo dos Santos Moreira Jr.**, Director of Accounting and Administration, and **Andrea Pinheiro Riva**, Company's Accounting Coordinator, explained the Interim Accounting Information and the Company Results Release, supported by remarks from **Eliseo Santiago Perez Fernandez**, Director of Administration and Control. The Fiscal Council asked a number of questions, particularly on the decision to join the Special Tax Regularization Program (*Programa Especial de Regularização Tributária* - "PERT"), which was disclosed in the Material Fact dated 11/07/2017, and its accounting methods.

The Fiscal Council members expressed their concerns about obtaining a report from the independent auditors by the deadline specific in the Leniency Agreement the Company had signed.

Additionally, Committee Member **Francisco Vicente Santana Silva Telles** expressed his belief that the Company's financial statements should reinforce the fact that relationships with related parties are pursued on an equitable and arms-length basis.

(ii) Based on the information provided in the Release, **Jeremiah Alphonsus O'Callaghan**, Chairman of the Board of Directors and Investor Relations Officer, gave a presentation with an overview of the Company's and its subsidiaries' operations in the period ending on September 30, 2017.

The Fiscal Council members revisited the issue raised at the Fiscal Council meeting on 10/03/2017 regarding the restructuring of Committees advising the Board of Directors. **Jeremiah Alphonsus O'Callaghan** reported that the Board of Directors will discuss the issue on 11/13/2017. **Jeremiah Alphonsus O'Callaghan** suggested scheduling a future presentation to explain the new Committee structure to the Fiscal Council.

(iii) Messrs. **Paulo Sérgio Tufani** and **Robinson Meira**, from BDO, informed the Fiscal Council of their efforts to monitor Company management efforts to produce the Interim Accounting Statements. The BDO members explained that Company management had responded to all requests for documents and information related to the audit procedures and that the ongoing audit work is intended to conclude the independent investigation and quantify any impacts on the financial statements, thereby speeding up publication of the quarterly report. On being questioned by the Fiscal Council, the BDO members reported that they were not in possession of the independent auditors' review report, therefore they would not respond

to questions regarding BDO's work on the Interim Accounting Information for the period ending September 30, 2007.

The BDO members reported that they had been unable to conclude their analysis of certain matters because they had occurred so recently. However, the independent auditors pointed out that they continue to review the accounting information and monitor the independent investigation, which they had been involved in extracting data from servers and cell phones belonging to some of the custodians under investigation.

Paulo Sérgio Tufani and **Robinson Meira** highlighted the fact that the investigation's final report should be issued to BDO as quickly as possible, as the internal assessment process is quite bureaucratic and all BDO hierarchies must be involved to provide the auditors with the comfort required to sign off on the report. Although it had already been informed that the Company was doing everything possible to speed up this process, the Fiscal Council alerted the Company management that it must make every effort to accelerate analysis of the events in question and provide the necessary documents, so that the auditors could also move ahead quickly with their internal procedures.

Furthermore, the independent auditors from BDO informed the Fiscal Council, that, in their opinion, the Company should immediately hire a separate independent auditor, given the mandatory auditor replacement rules, to monitor publication of the BDO report and conclusion of the works, and to provide an opportunity to respond to any future issues the new auditors might raise. Based on BDO's suggestion, the Fiscal Council suggested that Company management should hire the next independent auditor as swiftly as possible.

Subsequently, based on the review and the information and explanations received, as no external audit report had been forthcoming and as the issues leading BDO not to issue its report were, as yet, unresolved, the Fiscal Council declared it was not possible to assess possible future impacts on the interim accounting information. However, during talks with management and the independent auditors, who continue to carry out their customary reviews of the accounting information and have not detected any adjustment or other material issue that would warrant the Fiscal Council's attention, they were not made aware of any other issues that would lead the Fiscal Council to believe the Interim Accounting Information and the Release do not reflect all material aspects of the information contained therein. The Fiscal Council stated it would await the recording of future impacts from the plea bargain, Leniency Agreement and the CVM Proceedings, as well as the Independent Auditors' Report, before assessing the Interim Accounting Information.

(iv) Daniel Pereira de Almeida Araujo, Company's Corporate Law attorney, and Secretary of the meeting, gave a presentation updating the Fiscal Council members on certain matters related to the plea bargain, the Leniency Agreement and the CVM Proceedings, reporting that the Company continues to discuss matters with the CVM and that all correspondence had been responded to in a timely fashion. Furthermore, he noted that the number of letters issued by the CVM has fallen even further, also informing the Fiscal Council

members that the study produced by FIPECAFI was presented to some members of the CVM's Board and technical area.

(v) No matters of general interest to the Company's Fiscal Council were raised.

Summary of the Minutes: The Fiscal Council authorized the registration of the minutes in summary format and publication without the attendees' signatures, as per paragraphs 1 and 2, article 130 of the Corporations Act.

Adjournment: Having concluded the business at hand, the floor was opened to those in attendance and as no-one wished to speak, the meeting was adjourned for the time required to register these minutes, which were read and approved by all in attendance.

São Paulo, November 10, 2017.

Adrian Lima Da Hora
Meeting Chair

Daniel Pereira de Almeida Araujo
Meeting Secretary

Committee members in attendance:

Adrian Lima Da Hora

José Paulo da Silva Filho

Demetrius Nichele Macei

Francisco Vicente Santana Silva Telles